



# Power Generation in Botswana



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## COMPETENT PERSONS STATEMENT

The gas reserves and resource estimates for the Lesedi CBM Project provided in this presentation (refer slide 12) were released on 20 February 2018 ("Previous Announcement"). Tlou confirms that it is not aware of any new information or data that materially affects the information included in the Previous Announcement and that all of the material assumptions and technical parameters underpinning the estimates in the Previous Announcement continue to apply and have not materially changed. However, there is no guarantee as to whether future estimates of reserves and/or resources for the Lesedi CBM Project will exceed, or be lower than, the current estimates. The gas reserve and resource estimates are based on and fairly represents, information and supporting documentation and were originally determined by Dr. Bruce Alan McConachie of SRK Consulting (Australasia) Pty Ltd, in accordance with Petroleum Resource Management System guidelines and re-affirmed by Mr Carl D'Silva of SRK. Mr D'Silva is considered to be a qualified person as defined under the ASX Listing Rule 5.42 and has given his consent to the use of the resource figures in the form and context in which they appear in this presentation.



# Tlou Energy

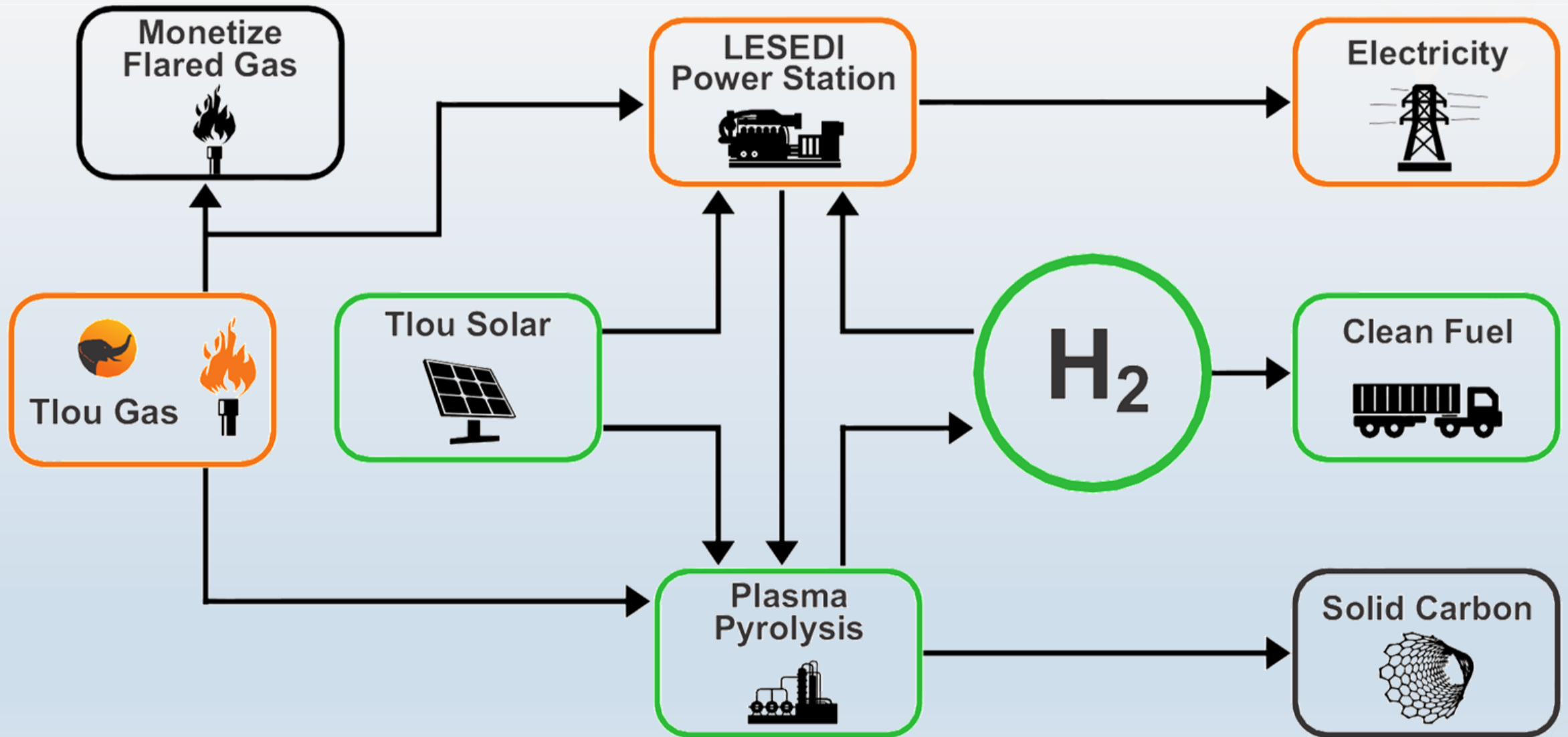
*...Gas Production & Power  
Generation for Botswana*

- Tlou is developing cleaner sources of energy in Botswana
  - ✓ Gas fired power aimed at displacing carbon intensive coal & diesel fired generation
  - ✓ Solar power
  - ✓ Hydrogen (H<sub>2</sub>) and solid carbon production
- Strategic location in Botswana's Central District
- 10MW Power Purchase Agreement signed with BPC
- Extensive environmental approvals in place
- Generation licences secured to produce electricity from gas and solar
- Established and consistent gas flows
- H<sub>2</sub> prototype advancing



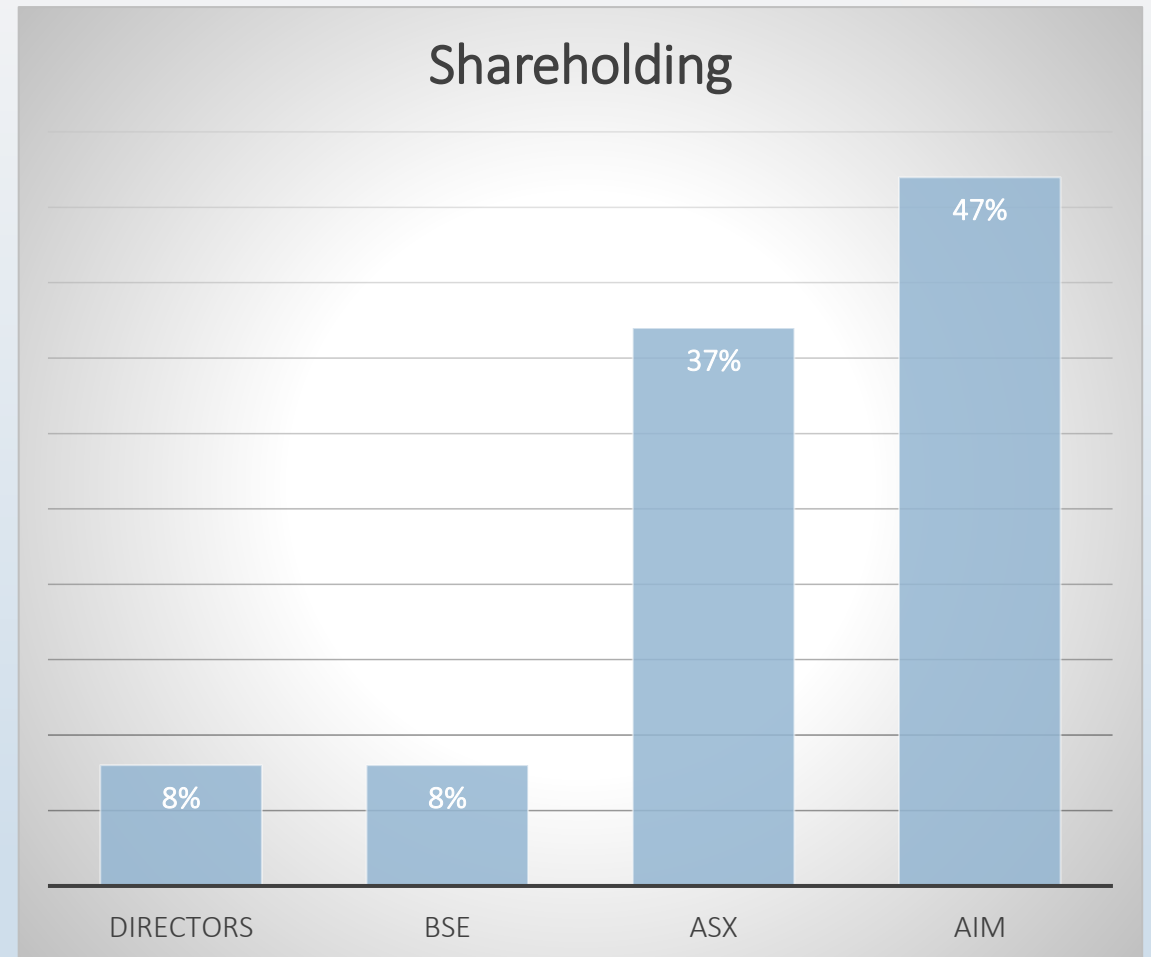
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# Tlou's Gas, Solar & Hydrogen... cleaner fuel and power



# Corporate Information

- The Company is listed on three markets
  - Australian Securities Exchange – ASX
  - London Stock Exchange – AIM
  - Botswana Stock Exchange – BSE
- Issued share capital: 600,205,289
- Top 20 holders: ~57%
- Office Locations
  - 132 Independence Avenue, Gaborone, Botswana
  - 210 Alice St, Brisbane, Australia
- Key Advisors:
  - Nomad: Grant Thornton UK LLP
  - Engineering: Mott MacDonald
  - Environmental: Ecosurv Consultants
  - Reserve Certifiers: SRK Consulting



# Board



**Martin  
McIver**

Non-Executive Chair

20 years experience in finance  
and mining services



**Gabaake G.  
Gabaake**

Executive Director

Geologist, former Botswana  
Permanent Secretary at  
Ministry of Minerals Energy &  
Water



**Colm  
Cloonan**

Finance Director & CFO

Finance professional;  
20 years experience  
including power generation  
in Australia



**Anthony (Tony)  
Gilby**

MD / CEO

MD or Director of public  
companies for ~20 years;  
Co-founder Tlou Energy;  
BSc (Hons 1)



**Hugh  
Swire**

Non-Executive Director

Worked in China for 10 years  
including solar sector selecting  
premium solar suppliers for UK  
market; Former JP Morgan VP



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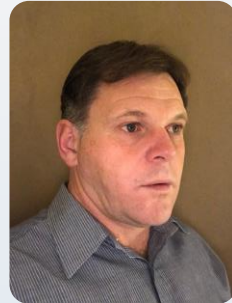
# Key Management



**Solomon Rowland**

General Manager

Lawyer, Co. Secretary, over 18 years experience



**Danny Horne**

Chief Operations Officer

30 years in the drilling industry including 18 years in the Oil & Gas Sector



**Remigiyo Mavata**

Chief Geologist

Geologist, 20+ years African experience in multidisciplinary exploration in conventional and unconventional reservoirs

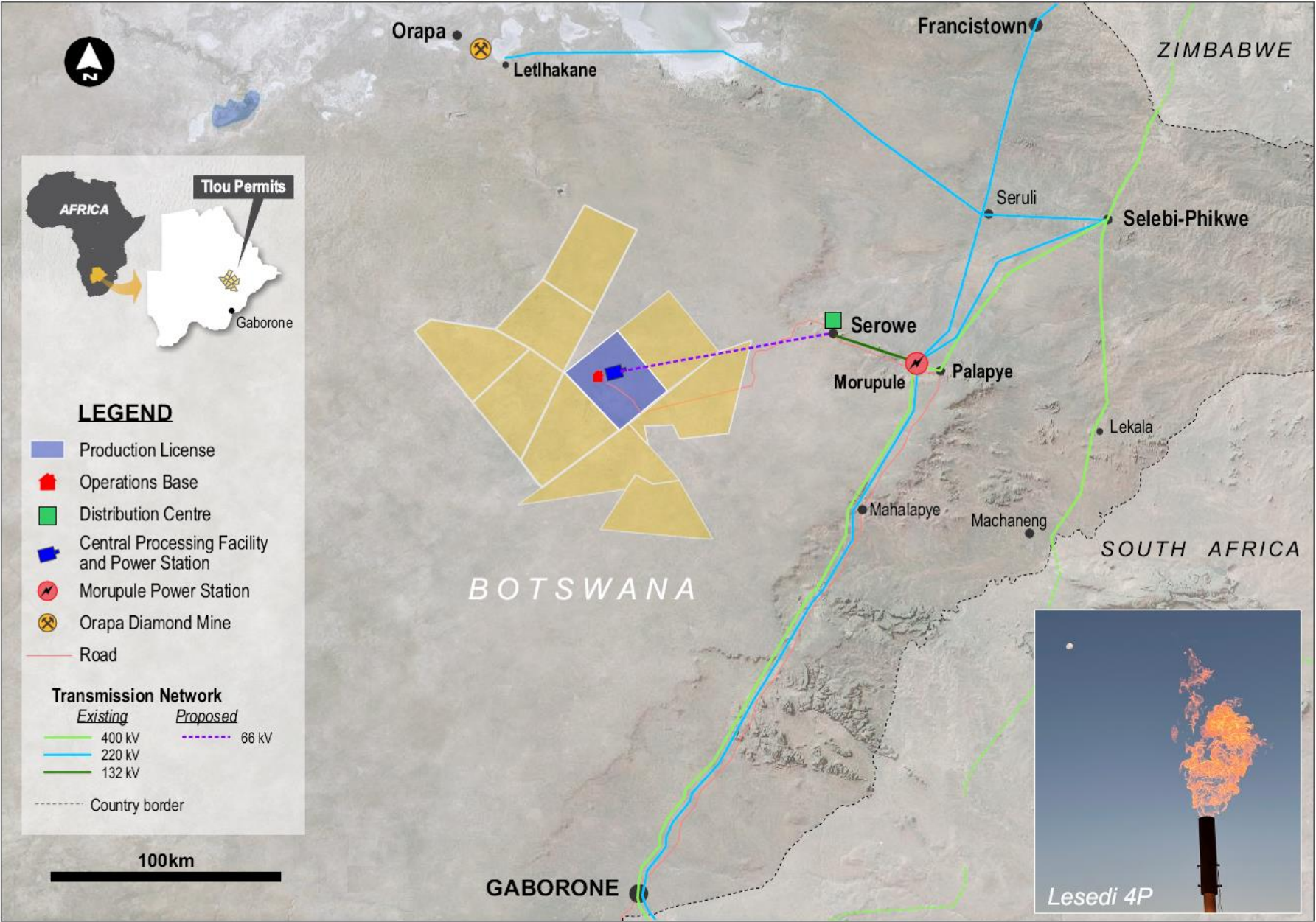


*Equipment at Tlou's field operations*



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# Location



*Project located in Botswana's Central District*



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# Power need in Sub-Saharan Africa



## Power Deficits

Regional power supply is often unable to meet demand and reliance on imported energy is costly and unsustainable



## Over-reliance on Carbon-intensive Power

Existing electricity is largely produced from carbon intensive coal and diesel



## A Changing Environment

Strong momentum towards cleaner energy to prevent environmental degradation



## Cleaner Power

Cleaner power sources can help alleviate power deficits and reduce carbon footprint



## Sustainable Future

A less carbon intensive future is possible with evolving technologies



# Lesedi Gas-to-Power project

The first phase of development at Lesedi is a 10MW gas fired generation project.

## Completed

Production Licence secured – valid until 2042

Environmental approval for 20MW of Gas-fired power and 20MW of Solar power

10MW Power Purchase Agreement signed with Botswana Power Corporation

Generation Licence approved by Botswana Energy Regulatory Authority (BERA)

## Ongoing

Transmission Lines being built to connect the Lesedi project to the grid (~100 Km)

Exploring ways to commercialise otherwise flared gas during development

Development of power generation site ready for installation of power generation assets

## Planned

Drill additional gas wells

Once the initial 10MW is in place the Company plans further expansion

Secure further offtake agreements and supply power into the SADC region

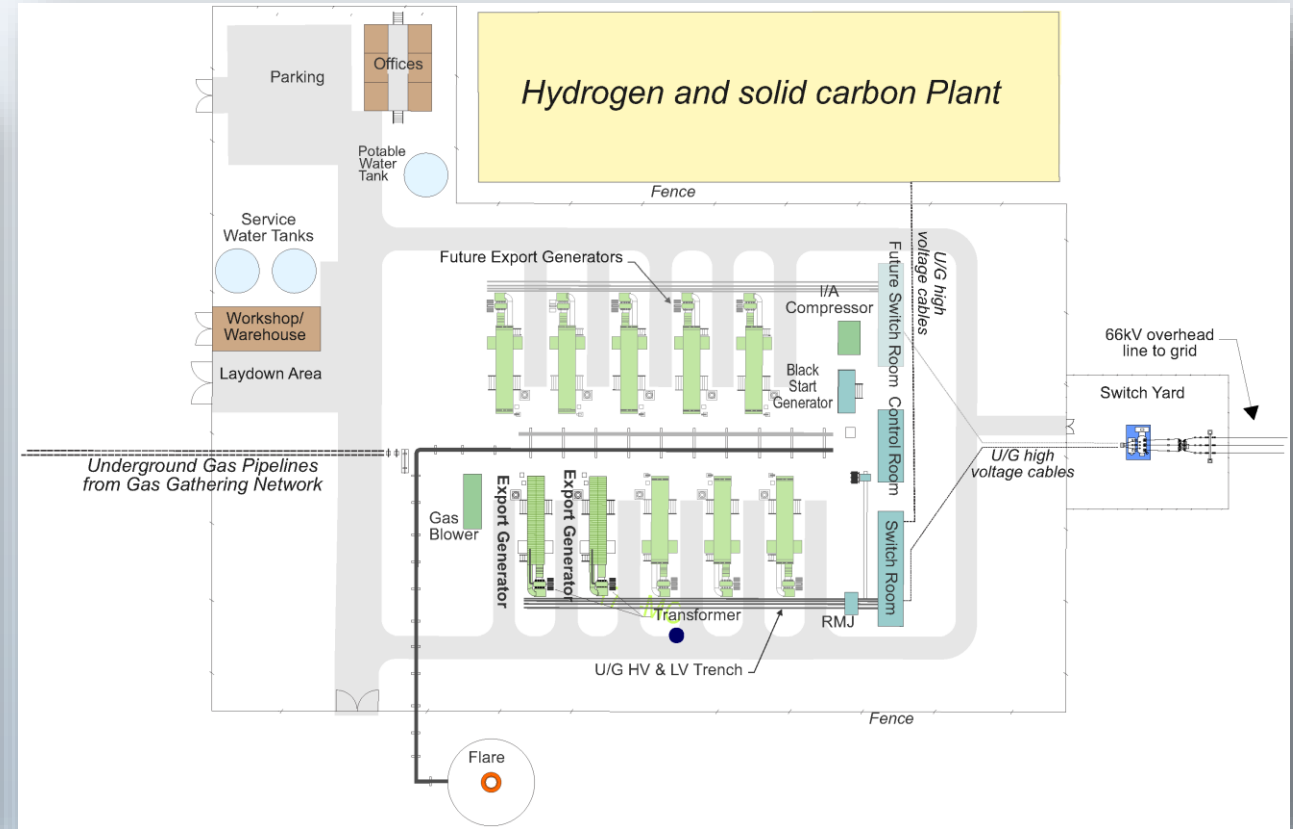
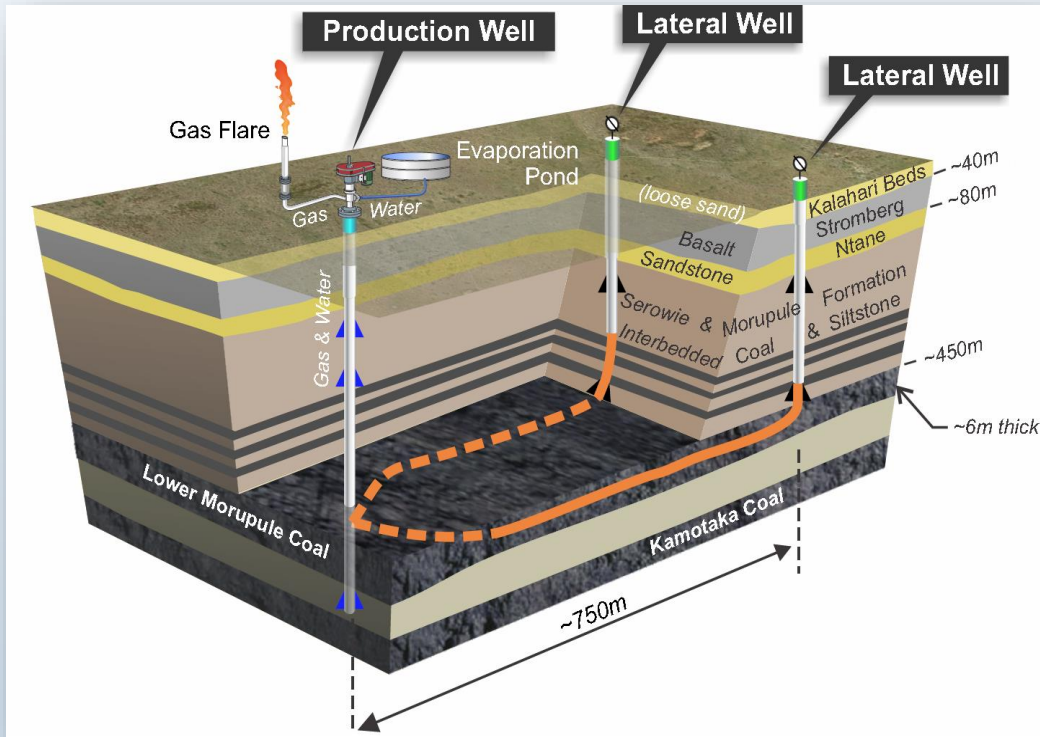


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# Gas Production

Tlou's gas wells, referred to as 'Dual lateral Pods' consist of two lateral wells that intersect with a vertical well to produce gas.



Proposed layout of the Lesedi Central Processing Facility (Generation site)



# Independent Gas Reserves Certification<sup>(1)</sup>

**0.35 BCF (1P)**

**40.8 BCF (2P)**

**426.6 BCF (3P)**

Gas Reserves <sup>(1)</sup>									Gas Contingent Resources <sup>(2,4)</sup>		
Location	Project	Tlou Interest	1P (BCF)	2P (BCF)	3P (BCF)	1C (BCF)	2C (BCF)	3C (BCF)			
Karoo Basin Botswana	Lesedi CBM (Lower Morupule coal) (ML 2018/18L, PL001/2004)	100%	0.34	25.2	252	4.6	45.6	331			
Karoo Basin Botswana	Lesedi CBM (all coal seams) (ML 2018/18L, PL001/2004) <sup>4</sup>	100%	0.34	25.2	252	4.6	214	3,043			
Karoo Basin Botswana	Mamba CBM (Lower Morupule coal) (PL238/2014- PL241/2014)	100%	0.01	15.5	175	n/a	n/a	n/a			

## Notes:

Gas Resource numbers have been rounded to the nearest tenth for amounts less than 100 BCF, otherwise to the nearest whole number. Refer to Competent Persons Statement in the disclaimer slide of this presentation.

1) Tlou's Gas Reserves have not been adjusted for fuel or shrinkage and have been calculated at the wellhead (which is the reference point for the purposes of Listing Rule 5.26.5).

2) Contingent Gas Resources are (100%) Unrisked Gross and are derived from the SRK certification at 31 March 2015 for all coal seams (as previously announced by Tlou on 9 April 2015) with adjustment for the gas volumes which have now been certified by SRK in the Gas Reserves category.

3) The Gas Reserves and Contingent Gas Resources for all coal seams in PL001/2004 and ML 2018/18L shown in the table above includes the numbers for the Lower Morupule coal seam which are shown in the first row of the table.

4) The most recent Reserves assessment by SRK did not include a review and assessment of additional Contingent Resources in the Lesedi Project Area or Contingent Resources in the Mamba Project area.



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# Substation and Production well

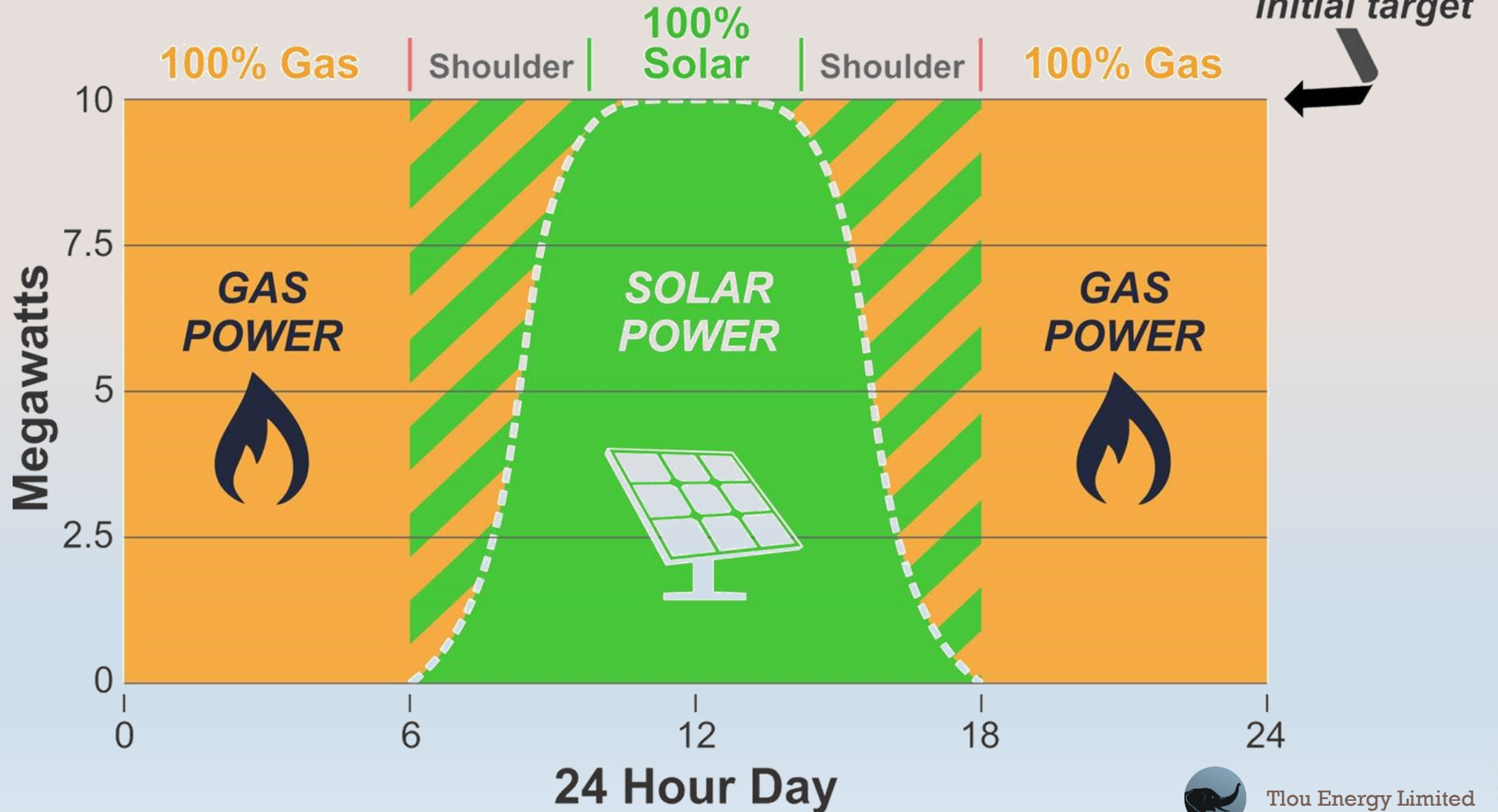
Serowe Substation – where Tlou plans to connect its transmission line to the regional electricity grid



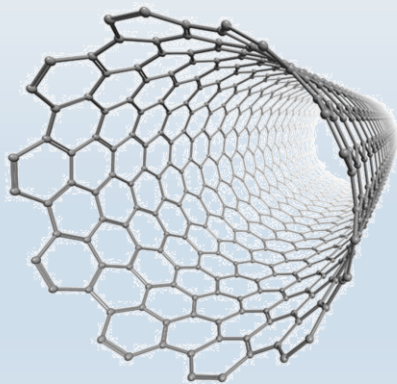
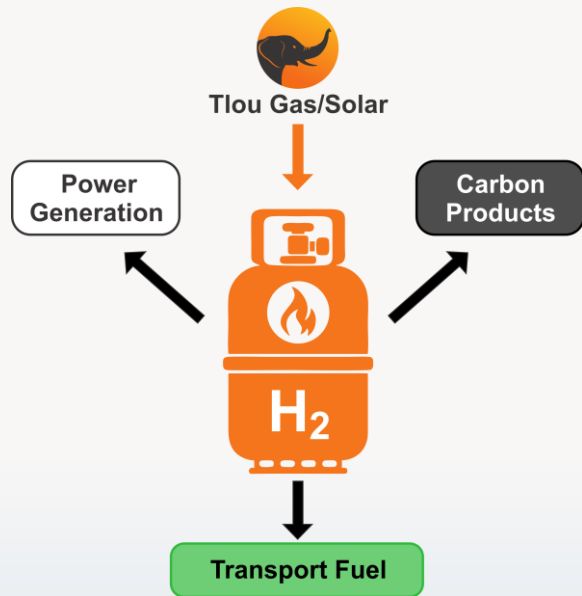
Gas Production well in the Lesedi project area



# Hybrid Power



# Hydrogen - Tlou / Synergen Met project



*Carbon Nanotube*

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Hydrogen and solid carbon prototype unit being built in Brisbane

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Prototype will be transported to Lesedi on completion

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Prototype planned to convert existing gas flow to Hydrogen and Solid Carbon using Plasma torch technology

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Compress  $H_2$  and use as fuel for field operations and power generation

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Potentially lucrative Solid Carbon or Graphite could create an additional revenue stream

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## Environmental, Social and Governance

Tlou Energy supports various groups to enhance the lives of the local population and regional communities

### Projects supported by Tlou Energy

- **Moralane Village Community Development initiative**
  - *A group working to identify, support and develop local skills and business*
- **Y-Care Charitable Trust**
  - *An organization aimed at raising funds for less privileged communities*
- **Broadcasters Organization**
  - *A youth group promoting excellency in primary schools*



# Gas Fired Power, Solar, Hydrogen

- ✓ Cleaner energy for Botswana and beyond
- ✓ Electricity, H<sub>2</sub> and carbon products
- ✓ Extensive environmental approvals secured
- ✓ Social and economic benefits for Botswana
- ✓ Supportive stakeholders including government
- ✓ Sustainable employment and an enhanced quality of life in the region

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